Title: Regarding approval of notification to amend First schedule to Customs Tariff Act, 1975. (Res0lution adopted).

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): Sir, there is a Statutory Resolution listed at Item No.9 against my name. If you permit we can take it up first?

MR. CHAIRMAN: Yes please.

SHRI YASHWANT SINHA: Sir, I beg to move:

> "That in pursuance of sub-section (2) of section 8A of the Customs Tariff Act, 1975, read with sub-section (3) of section 7 of the said Act, this House hereby approves of Notification No.96/2000-Customs dated July 7, 2000 [G.S.R.593(E) dated July 7, 2000] which seeks to amend the First Schedule to the Customs Tariff Act, 1975 so as to enhance the rate of customs duty applicable to goods falling under sub-heading No.0802.90 from ""35 per cent"" to `100 per cent"" ."

MR. CHAIRMAN : Now, Shri Varkala Radhakrishnan.

SHRI VARKALA RADHAKRISHNAN (CHIRAYINKIL): Sir, this is a matter concerning to the customs tariff. ...(*Interruptions*)

MR. CHAIRMAN: You can move your amendment and then you speak.

SHRI VARKALA RADHAKRISHNAN : Sir, I beg to move:

"That in the resolution,-

for "100%"

substitute "150%" (1)

Now, the coconut growers are also saying that it is a farm produce. I am not opposing this Resolution but I have to say the difficulties which are being faced by the Indian farmers.

Now, areca-nut is one part. ...(*Interruptions*)

MR. CHAIRMAN: This is customs duty. It has nothing to do with coconut.

SHRI VARKALA RADHAKRISHNAN : The Central Government has now come to say that the import duty is raised to 100 per cent. My amendment is that it must be raised to 150 per cent. By moving this amendment, my idea is to bring out the difficulties experienced by other farmers, especially coconut farmers of India. There are States like Kerala, Andhra Pradesh, Tamil Nadu, and Karnataka where coconut is widely grown. Sir, you are also aware of this. Due to the import policy of the Government, the coconut farmers are facing a crisis.

The hon. Speaker himself had convened a meeting to discuss this very important issue in order to help the coconut farmers. Now, the Government has come out with a proposal to help the areca-nut farmers. That is also a farm produce. ...(*Interruptions*)

MR. CHAIRMAN: This Resolution has nothing to do with coconut.

SHRI VARKALA RADHAKRISHNAN : Now, the coconut growers are facing the same difficulty. So, I would request the Central Government to come out with a policy that will curb the import of coconut, copra, and other things. Now, Sri Lanka is importing copra and coconut from India. And so also, Philippines, Malaysia and other countries are also importing coconut and copra. Now, the net result is that the coconut farmers in India are facing a crisis and they are put to starvation. The economy of Kerala has been adversely affected because of the import policy of the Government. So, the Government should also take into consideration the difficulties faced by the coconut farmers in India. In Kerala itself, there are about 26 small coconut growers spread throughout the State from north to south, in the coastal belt. The land itself is known as `keral"", in the sense that it is a land of coconut farmers. The coconut farmers are also facing the very same difficulty. ...(*Interruptions*)

MR. CHAIRMAN: On this issue, the Speaker had convened a meeting.

SHRI VARKALA RADHAKRISHNAN : Sir, you were not there at that time. Please hear me.

MR. CHAIRMAN: I was also present in that meeting on that day.

SHRI VARKALA RADHAKRISHNAN : Sir, I am focussing a very important issue.

I would like to bring to the notice of the Finance Minister, who is piloting this Resolution, about the difficulties being faced by coconut farmers in India. This Resolution has been brought to help the areca-nut growers in India. I agree with it. I have no objection about it.

Pakistan is one of the foreign countries which is importing areca-nut from India. The areca-nut growers are facing a crisis because of this import by Pakistan. The tariff that is fixed is 35 per cent. Due to this policy, the areca-nut growers in India are put to starvation. Now, the Government has understood that and brought a Resolution that it has to be raised to 100 per cent. I say that it must be raised to 150 per cent. So also in the case of coconut growers, the very same policy should be adopted. The only difference is that these people are from the South, including yourself.

All these people are from the South. They are facing a very great crisis. The Speaker himself has taken up this issue.

MR. CHAIRMAN : Hon. Member, Shri Radhakrishnan, on that day, the Minister of Agriculture, Shri Nitish Kumar came to the Speaker's chamber. We had an elaborate discussion and that matter is under consideration of the Agriculture Minister.

SHRI VARKALA RADHAKRISHNAN : Then, let him bring in a Statutory Resolution banning import of palm oil by the people.

MR. CHAIRMAN: Are you not moving your amendment?

SHRI VARKALA RADHAKRISHNAN : Import of palm oil is one of the reasons for reducing the value of the coconut. So, let the Finance Minister come with a proposal banning the import of palm oil by India from foreign country. So also, indiscriminate import of coconut, copra and coconut oil into the country must be curtailed. I do not say that it must be stopped all of a sudden. But I would suggest that there must be some restriction.

MR. CHAIRMAN: Kindly conclude. You are going in a different track.

SHRI VARKALA RADHAKRISHNAN : With these words, I support the Statutory Resolution. At the same time, I remind the Finance Minister that India is a country where there is a concern, where there are coconut growers. Do not forget that. You bring in a Resolution reducing the tariff on coconut.

MR. CHAIRMAN: Are you moving your amendment?

SHRI VARKALA RADHAKRISHNAN : I moved my amendment.

MR. CHAIRMAN: You have said that you are supporting the Resolution.

SHRI VARKALA RADHAKRISHNAN : I must because that is my policy.

SHRI G.M. BANATWALLA (PONNANI): He did not oppose it. The Finance Minister owes a reply....(*Interruptions*)

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): I assure the Member that as far as the amendment is concerned, I am quite sure that hon. Member, Shri Radhakrishnan will withdraw it when I point out to him that the bound rate of duty under WTO is only 116 per cent. Therefore, we cannot take it to 200 per cent. We have gone into this question in detail. We have been assured after discussion with the growers and the trade that 100 per cent duty is quite sufficient to protect the domestic growers. So, 100 per cent is good enough. Therefore, I request you to withdraw this particular amendment.

As far as your concern for the coconut grower is concerned, we are fully aware. The Agriculture Minister is also sitting here. We have taken note of your suggestion.

MR. CHAIRMAN: Now, are you withdrawing your amendment?

SHRI VARKALA RADHAKRISHNAN : Yes.

MR. SPEAKER: Is it the pleasure of the House that the amendment moved by Shri Varkala Radhakrishnan be withdrawn?

The amendment was, by leave, withdrawn.

MR. CHAIRMAN: The question is:

"That in pursuance of sub-section (2) of section 8A of the Customs Tariff Act, 1975, read with sub-section (3) of section 7 of the said Act, this House hereby approves of Notification No.96/2000-Customs dated July 7, 2000 [G.S.R.593(E) dated July 7, 2000] which seeks to amend the First Schedule to the Customs Tariff Act, 1975 so as to enhance the rate of customs duty applicable to goods falling under sub-heading No.0802.90 from "35%" to "100%". "

The motion was adopted.

16.18 hrs.

DISCUSSION UNDER RULE 193